

**Testimony of Bill Holbrook**  
**House Small Business Subcommittee on Rural and Urban Entrepreneurship and Trade**  
**Thursday, July 30, 2009**

Chairman Shuler, Ranking Member Luetkemeyer, thank you for allowing me to testify today.

My name is Bill Holbrook. I am a full time farmer from Waynesville, North Carolina, which is located in the Chairman's District. I grow specialty crops such as peppers, tomatoes, cucumbers and burley tobacco on 35 acres. I am the 6<sup>th</sup> generation to farm my land.

Running a small family farm is about survival. Unpredictable weather and disease pressures always make raising a crop a challenge. The risk I have in my crop is concentrated and the slightest disruption – whether drought or new regulations – can seriously impact my operation.

I'm able to keep my farm running by being resourceful and creative. Farming is not easy, but I'm passionate about it. And so I keep planting a crop each year with the help of God and my family.

My testimony will focus on three issues: 1) the Specialty Crops Title of the 2008 Farm Bill and how it impacts small farmers like me; 2) food safety legislation; and 3) my concerns about the Clean Water Restoration Act, S. 787. I realize the focus of this hearing is on the Farm Bill's impact on small farmers. Accordingly, the bulk of my comments will relate to this issue, but the other two issues will have a big impact on me and other farmers large and small and I want to make the Subcommittee aware of my concerns.

First, as all of you know, the 2008 Farm Bill contained – for the first time – a title dedicated to specialty crops. This is a great step forward for specialty crop producers and agriculture as a whole. Unlike the Commodity Title, the Specialty Crop Title will not put money in a farmer's pocket. Rather, it will solidify the foundation of the specialty crop industry. Specifically, this title would expand opportunities for direct producer-to-consumer marketing, improve farmers markets, roadside stands and community-supported agriculture initiatives and help fruit and vegetable producers address food safety, pest and disease management issues. As a result, these provisions should indirectly benefit me as a producer as well as the general consumer.

The Farm Bill also provided States with funding for various programs through the Specialty Crops Block Grant initiative. In North Carolina, our State Department of Agriculture has experienced strong demand for competitive grant funding under this program. In fact, the Department reports that it has received 61 grant applications requesting just over \$5 million. However, the State only received \$1 million total funding. Although it is natural to wish for more assistance, I am encouraged by the strong demand for these funds. I anticipate these grants will help expand markets for my crops by increasing marketing and promotional opportunities. Further, I hope these funds are used to help me and other farmers prepare to meet future food safety regulations for fruit and vegetables.

I am also hopeful Congress will fully fund the Farm Bill's pest and disease detection and control programs because recent regulations issued by EPA restricting the use of fumigants by requiring

larger setbacks are a serious threat to the future of my farm. For example, my average field size is less than 5 acres. Under the EPA's new regulation, the setback for some fumigants must be a quarter mile. Thus, if I want to use a certain fumigant on my land, I lose the use of a large portion of my fields or all of some of them. If I chose not to use the fumigant, I become more vulnerable to soil borne diseases. In this situation, I need additional assistance in battling pests and disease. By fully funding the Farm Bill's pest and disease initiatives, Congress can help me deal with this problem over the long term.

My final thoughts about the Farm Bill relate to risk management tools, even though these provisions are contained elsewhere in the Farm Bill. According to USDA's Risk Management Agency, only 18% of crops sold in North Carolina were covered by crop insurance. This inadequate amount of coverage is even worse for specialty crops. Only 73% of the apples grown in North Carolina have crop insurance. For cabbage, the coverage amount is 16%. For peaches, the amount is 60%. Although blueberries are completely covered and 83% of potato acreage is insured, only 9.5% of strawberries are covered by an insurance product.

I understand the value of crop insurance. In fact, I purchased Multi-peril Crop Insurance for all of my crops for many years. But eventually the expense became too much for me to bear. In 2009, very few tomato growers in our state bought crop insurance. It is important to note that in 2008 North Carolina's tomato crop was about 3,400 acres valued at \$33.7 million. That's about \$9,900 per acre. In the mountains of North Carolina, tomatoes are one of the highest value crops we can grow. But the kicker is few can afford to protect their tomatoes with crop insurance.

In the alternative, I purchased NAP coverage (non-insured crop disaster assistance) this year. At best, this will cover less than one-third of the value of my crop. To be eligible for NAP assistance, I must suffer greater than a 50% production loss. Thus, if I sustain a 70% loss, NAP will cover only 20% of my loss. On that 20%, I may be paid 55% of the average market price for my tomatoes.

As you can tell, the NAP program is woefully inadequate as a risk management tool, especially for specialty crops. But it is the only affordable way that I may survive a serious disaster such as a drought or flood. This area greatly needs reform and I urge you to work with your colleagues on the House Agriculture Committee to address this deficiency in the NAP program.

I understand the focus of this hearing is on the Farm Bill and its Specialty Crop Title, but I want to briefly touch on two other issues that pose significant challenges to my ability to survive as a small farmer.

The next issue I want to talk about is the food safety bill moving through the U.S. House of Representatives, H.R. 2749, the Food Safety Enhancement Act of 2009. I do not believe a single member of this Subcommittee or any member of Congress is opposed to the idea of improving our food safety system. But I urge you to be careful as you draft this legislation, and to reject a one-sized fits all approach to produce safety. Small family farms cannot survive this kind of legislation as it is written.

Having recently completed a food safety audit on my farm it is evident that small farms do not have the monies, personnel, and capabilities, as do large corporate farms, to pay for water testing, audits and equipment, and to develop Standard Operating Procedure manuals. Some procedures are especially not practical. Examples include not allowing my pet dog in the fields, prohibiting spitting in the fields, and controlling wild and domestic animals along the ¾ of a mile of river frontage that I use for irrigation. These regulations will pit farmer against farmer, example being: livestock, dairy and fowl production operations are not to be located near crop production areas. In addition, there are still farmers in remote areas of our region that do not have on-line access or even computers needed to do research to develop their SOPs.

I am a member of the North Carolina Fresh Produce Safety Task Force, a broad coalition of industry, academics and regulators that is designed to enhance the competitiveness of the State's fresh produce industry. My colleagues on this task force and I know that diversity is inherent in agriculture, especially in the produce sector. Any food safety legislation enacted by Congress must start in a way that enables producers to keep their food safe without burdening them with regulations they cannot possibly implement. Simply put, the regulations imposed by this bill or the FDA must take into account farm size and type. Food safety standards should be risk-based and commodity specific. In the view of many farmers, USDA should have a specific role in the development of food safety regulations because they have the knowledge and resources to make sure that farm size and type are appropriately considered.

The last issue I want to address is a bill pending in the U.S. Senate, S. 787, the Clean Water Restoration Act. This bill greatly troubles me and many of my neighbors in Western North Carolina because it would dramatically expand federal authority to regulate water beyond what is reasonable. Specifically, the bill strikes the term "navigable" from the Clean Water Act and replaces it with an expansive definition of the term "waters of the U.S." This new definition would include all interstate and intrastate waters. As a result, the federal government would have authority to regulate almost any body of water in the nation, including those areas that are rarely, if ever, wet. The mountains of North Carolina have many areas – known as wet weather springs – that are only occasionally wet that would fall under the reach of this bill. In North Carolina, the State already has jurisdiction over isolated wetlands and features such as wet weather springs. Therefore, we do not need the federal government asserting power over these areas, too. Contrary to the claims of its supporters, the Clean Water Restoration Act does not restore the original intent of the Clean Water Act. In truth, it greatly expands current law. In Western North Carolina most crops are grown along waterways. This act will require buffer areas along any waterway and that will reduce the amount of crop area in fields adjacent to these waterways. To farm you have to have land and water. If either of these two is eliminated or reduced it is a very real threat to the survival of that farm.

I believe that one of the greatest threats to the survival of my farm, or any small farm, is regulations that increase costs and limits the use of any part of the farm. As a Subcommittee, you can help me continue to farm by ensuring that the voice of the small farmer is considered as important legislation is drafted.

Thank you, Mr. Chairman, for allowing me to testify before the Subcommittee. I look forward to your questions.

**William (Bill) Holbrook**  
3401 Old River Road  
Waynesville, North Carolina, 28786  
828 734-8840, holbrook3401@bellsouth.net

**EDUCATION:**

1965-1968 Western Carolina University, pre-forestry major

**EMPLOYMENT:**

**1993-2009 Owner and Operator of Cold Mountain Farms**

6<sup>th</sup> generation farm: Farming operation specialty crops  
consists of 35 acres of tomatoes, peppers, and cucumbers

1968-1993 Production Manager, Dayco Corporation, Waynesville, N.C.  
Products: radiator hoses and automatic fan belts  
Supervised 300 people on the production floor.

1966-1968 Engineering Assistant, American Enka Corporation, Enka, N.C.

**PROFESSIONAL ACTIVITIES:**

Member of North Carolina Tobacco Trust Fund Commission  
Member of North Carolina Agricultural Development and Farmland  
Preservation Advisory Board  
Member of North Carolina Extension Advisory Board in Haywood County  
Haywood County Agricultural Advisory Board  
Past Member of Haywood County Planning Board  
Past Member of Haywood County Watershed Review Board  
Haywood County Farm Bureau Board of Directors Member  
North Carolina Tomato Growers Association Board of Directors,  
1<sup>st</sup> vice-president and past president

**COMMUNITY AND CHURCH ACTIVITIES:**

Haywood County Community Council, past president  
Bethel Rural Community Organization, past board of directors member  
Bethel Baptist Church, Deacon  
Bethel Christian Academy School Board Member

**AWARDS:**

2009 North Carolina Century Farm 100 Years of Continuous Agricultural  
Heritage by NC Department of Agriculture  
1999 Outstanding Accomplishments in protecting water quality in WNC  
sponsored by Pigeon River Fund  
1997 and 1998 Award of Merit for outstanding accomplishments  
in resource conservation by Haywood County Soil and Water District  
1997 and 1998 Conservation Farm Family Award by Haywood Soil  
and Water



# HOUSE COMMITTEE ON SMALL BUSINESS

## Witness Disclosure Statement

Required by House Rule XI, Clause 2(g)

Your Name: <u>BILL HOLBROOK</u>		
1. Are you testifying on behalf of a Federal, State, or Local Government entity?	YES	NO <u>X</u>
2. Are you testifying on behalf of an entity other than a Government entity?	YES	NO <u>X</u>
3. Other than yourself, please list what entity or entities you are representing: <u>N.A.</u>		
4. Please list any offices or elected positions held or briefly describe your representational capacity with the entities disclosed in question 3. <u>N.A.</u>		
(For those testifying on behalf of a Government entity, ignore these questions below)		
5. a) Please list any Federal grants or contracts (including subgrants or subcontracts), including the amount and source (agency) which <u>you</u> have received and/or been approved for since October 1, 2006: <u>N.A.</u>		
b) If you are testifying on behalf of a non-governmental entity, please list any federal grants or contracts (including subgrants or subcontracts) and the amount and source (agency) received by the <u>entities listed under question 3</u> since October 1, 2006, which exceeded 10% of the entities' revenues in the year received: <u>N.A.</u>		
6. If you are testifying on behalf of a non-governmental entity, does it have a parent organization or an affiliate who you specifically do not represent? If so, list below:	YES	NO <u>X</u>

Signature: Bill Holbrook

Date: 7-24-09